

AMENDED IN ASSEMBLY SEPTEMBER 2, 2009

AMENDED IN ASSEMBLY JUNE 25, 2009

SENATE BILL

No. 519

Introduced by Senator Ashburn

February 26, 2009

An act to amend Sections 21572, 21573, and 21574.7 ~~of~~ *of, and to add Section 22944.3 to*, the Government Code, relating to ~~retirement~~ *public employment*.

LEGISLATIVE COUNSEL'S DIGEST

SB 519, as amended, Ashburn. ~~Public Employees' Retirement System: death benefits.~~ *Public employment.*

The Public Employees' Retirement System provides preretirement death benefits for the surviving spouse or children, or both, as specified, of state members and specified school members not covered by the federal Social Security Act and provides that a surviving spouse becomes eligible for certain of these benefits when he or she attains 60 years of age and meets other specified criteria. Existing law provides that on January 1, 2010, the surviving spouse's eligibility age will increase to 62 years of age, and the financial monthly benefits to the survivors would decrease.

This bill would delete the provisions that would change the law on January 1, 2010, and would instead maintain indefinitely the benefits that are currently in effect.

Existing law requires the state to pay sworn members of the California Highway Patrol who are rank-and-file members of State Bargaining Unit 5 the estimated average total compensation for each corresponding rank for the Los Angeles Police Department, Los Angeles County Sheriff's Office, San Diego Police Department, Oakland Police

Department, and San Francisco Police Department, as specified. Existing law requires the state and the exclusive representative for State Bargaining Unit 5 to jointly survey annually and calculate the estimated average total compensation based on projected average total compensation for the above-named departments as of July 1 of the year in which the survey is conducted. Existing law requires any increase in total compensation resulting from those provisions to be implemented through a memorandum of understanding negotiated pursuant to the Ralph C. Dills Act.

This bill would instead use any amount that would otherwise be used to permanently increase compensation for those members of State Bargaining Unit 5 pursuant to those provisions, effective on July 1, 2009, and on July 1, 2010, to permanently prefund postemployment health care benefits for patrol members, as defined. The bill would prohibit any amount used to prefund postemployment health care for patrol members pursuant to that provision from being included in any calculation for benefits using final compensation. The bill would require patrol members to contribute an additional 0.5% of base pay toward prefunding retiree health benefit obligations effective on the first day of the pay period following the effective date of this act and the ratification of the addendum by the members of State Bargaining Unit 5. The bill would also require the state to contribute toward prefunding retiree health benefits, on a prospective basis, as specified, effective July 1, 2012. The bill would provide that if those provision are in conflict with the provisions of a memorandum of understanding, the memorandum of understanding shall be controlling without further legislative action, except that if those provisions of a memorandum of understanding require the expenditure of funds, the provisions would not become effective unless approved by the Legislature in the annual Budget Act.

Existing law requires the Department of Personnel Administration to provide any side letter, appendix, or other addendum to a properly ratified memorandum of understanding that requires the expenditure of \$250,000 or more related to salary and benefits and that is not already contained in the original memorandum of understanding or the Budget Act to the Joint Legislative Budget Committee. Existing law requires the Joint Legislative Budget Committee, within 30 days after receiving the side letter, appendix, or other addendum, to determine if the addendum presents substantial additions that are not reasonably

within the parameters of the original memorandum of understanding and thereby requires legislative action to ratify the addendum.

This bill would approve an addendum to a memorandum of understanding entered into by the state employer and State Bargaining Unit 5 that require the expenditure of funds. The bill would approve provisions of the addendum that require the expenditure of funds. The bill would provide that those provisions shall not take effect unless the funds are specifically appropriated by the Legislature or already exist within available appropriations, and would allow the reopening of negotiations if the Legislature does not approve or fully fund any addendum included in the bill.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21572 of the Government Code is
2 amended to read:

3 21572. (a) In lieu of benefits provided in Section 21571, if the
4 death benefit provided by Section 21532 is payable on account of
5 a state member's death that occurs under circumstances other than
6 those described in subparagraph (F) of paragraph (1) of subdivision
7 (a) of Section 21530, or if an allowance under Section 21546 is
8 payable, the payment pursuant to subdivision (b) shall be made in
9 the following order of priority:

10 (1) The surviving wife or surviving husband of the member who
11 has the care of unmarried children, including stepchildren, of the
12 member who are under 22 years of age or are incapacitated because
13 of a disability that began before and has continued without
14 interruption after attainment of that age.

15 (2) The guardian of surviving unmarried children, including
16 stepchildren, of the member who are under 22 years of age or are
17 so incapacitated.

18 (3) The surviving wife or surviving husband of the member who
19 does not qualify under paragraph (1).

20 (4) Each surviving parent of the member.

21 (b) Regardless of the benefit provided by Section 21532 and of
22 the beneficiary designated by the member under that section, or
23 regardless of the allowance provided under Section 21546, the

1 following applicable 1959 survivor allowance, under the conditions
2 stated and from contributions of the state, shall be paid:

3 (1) A surviving spouse who was either continuously married to
4 the member for at least one year prior to death, or was married to
5 the member prior to the occurrence of the injury or onset of the
6 illness that resulted in death, and has the care of unmarried
7 children, including stepchildren, of the deceased member who are
8 under 22 years of age or are so incapacitated, shall be paid four
9 hundred fifty dollars (\$450) per month if there is one child or five
10 hundred thirty-eight dollars (\$538) per month if there are two or
11 more children. If there also are children who are not in the care of
12 the surviving spouse, the portion of the allowance payable under
13 this paragraph, assuming that these children were in the care of
14 the surviving spouse, that is in excess of two hundred twenty-five
15 dollars (\$225) per month, shall be divided equally among all those
16 children and payments made to the spouse and other children, as
17 the case may be.

18 (2) If there is no surviving spouse, or if the surviving spouse
19 dies, and if there are unmarried children, including stepchildren,
20 of the deceased member who are under 22 years of age or are so
21 incapacitated, or if there are children not in the care of the spouse,
22 the children shall be paid an allowance as follows:

23 (A) If there is only one child, the child shall be paid two hundred
24 twenty-five dollars (\$225) per month.

25 (B) If there are two children, the children shall be paid four
26 hundred fifty dollars (\$450) per month divided equally between
27 them.

28 (C) If there are three or more children, the children shall be paid
29 five hundred thirty-eight dollars (\$538) per month divided equally
30 among them.

31 (3) A surviving spouse who has attained or attains the age of
32 62 years and, with respect to that surviving spouse, who was either
33 continuously married to the member for at least one year prior to
34 death, or was married to the member prior to the occurrence of the
35 injury or onset of the illness that resulted in death, shall be paid
36 two hundred twenty-five dollars (\$225) per month. No allowance
37 shall be paid under this paragraph while the surviving spouse is
38 receiving an allowance under paragraph (1) or while an allowance
39 is being paid under subparagraph (C) of paragraph (2). The
40 allowance paid under this paragraph shall be eighty-eight dollars

1 (\$88) per month while an allowance is being paid under
2 subparagraph (B) of paragraph (2).

3 (4) If there is no surviving spouse or surviving child who
4 qualifies for a 1959 survivor allowance, or if the surviving spouse
5 dies and there is no surviving child, or if the surviving spouse dies
6 and the children die or marry or, if not incapacitated, reach 22
7 years of age, each of the member's dependent parents who has
8 attained or attains the age of 62 years, and who received at least
9 one-half of his or her support from the member at the time of the
10 member's death, shall be paid two hundred twenty-five dollars
11 (\$225) per month.

12 (c) "Stepchildren," for purposes of this section, shall include
13 only stepchildren of the member living with him or her in a regular
14 parent-child relationship at the time of his or her death.

15 (d) This section shall apply to beneficiaries receiving 1959
16 survivor allowances on July 1, 1975, as well as to beneficiaries
17 with respect to the death of a state member occurring on or after
18 July 1, 1975.

19 (e) This section shall apply, with respect to benefits payable on
20 and after July 1, 1981, to all members employed by a school
21 employer, and school safety members employed with a school
22 district or community college district as defined in subdivision (i)
23 of Section 20057, except that it shall not apply, without contract
24 amendment, with respect to safety members who became members
25 after July 1, 1981. All assets and liabilities of all school employers,
26 and their employees, on account of benefits provided under this
27 article shall be pooled into a single account, and a single employer
28 rate shall be established to provide benefits under this section on
29 account of all miscellaneous members employed by a school
30 employer and all safety members who are members on July 1,
31 1981.

32 (f) This section does not apply to any member in the employ of
33 an employer not subject to this section on January 1, 1994.

34 (g) On and after January 1, 2000, all state members covered by
35 this section shall be covered by the benefit provided under Section
36 21574.7.

37 (h) On and after the date determined by the board, all assets and
38 liabilities of all contracting agencies subject to this section, and
39 their employees, on account of benefits provided under this article
40 shall be pooled into a single account, and a single employer rate

1 shall be established to provide benefits under this section on
2 account of members employed by a contracting agency that is
3 subject to this section.

4 (i) The rate of contribution of an employer subject to this section
5 shall be figured using the term insurance valuation method. If a
6 contracting agency that is subject to this section is projected to
7 have a surplus in its 1959 survivor benefit account as of the date
8 the assets and liabilities are first pooled, the surplus shall be applied
9 to reduce its rate of contribution. If a contracting agency that is
10 subject to this section is projected to have a deficit in its 1959
11 survivor benefit account as of the date the assets and liabilities are
12 first pooled, its rate of contribution shall be increased until the
13 projected deficit is paid.

14 SEC. 2. Section 21573 of the Government Code is amended
15 to read:

16 21573. (a) In lieu of benefits provided in Section 21571 or
17 Section 21572, if the death benefit provided by Section 21532 is
18 payable on account of a state member's death that occurs under
19 circumstances other than those described in subparagraph (F) of
20 paragraph (1) of subdivision (a) of Section 21530, or if an
21 allowance under Section 21546 is payable, the payment pursuant
22 to subdivision (b) shall be made in the following order of priority:

23 (1) The surviving wife or surviving husband of the member who
24 has the care of unmarried children, including stepchildren, of the
25 member who are under 22 years of age or are incapacitated because
26 of a disability that began before and has continued without
27 interruption after attainment of that age.

28 (2) The guardian of surviving unmarried children, including
29 stepchildren, of the member who are under 22 years of age or are
30 so incapacitated.

31 (3) The surviving wife or surviving husband of the member who
32 does not qualify under paragraph (1).

33 (4) Each surviving parent of the member.

34 (b) Regardless of the benefit provided by Section 21532 and of
35 the beneficiary designated by the member under that section, or
36 regardless of the allowance provided under Section 21546, the
37 following applicable 1959 survivor allowance, under the conditions
38 stated and from contributions of the state, shall be paid:

39 (1) A surviving spouse who was either continuously married to
40 the member for at least one year prior to death, or who was married

1 to the member prior to the occurrence of the injury or onset of the
2 illness that resulted in death, and has the care of unmarried
3 children, including stepchildren, of the deceased member who are
4 under 22 years of age or are so incapacitated, shall be paid seven
5 hundred dollars (\$700) per month if there is one child, or eight
6 hundred forty dollars (\$840) per month if there are two or more
7 children. If there also are children who are not in the care of the
8 surviving spouse, the portion of the allowance payable under this
9 paragraph, assuming that these children were in the care of the
10 surviving spouse, that is in excess of three hundred fifty dollars
11 (\$350) per month, shall be divided equally among all those children
12 and payments made to the spouse and other children, as the case
13 may be.

14 (2) If there is no surviving spouse, or if the surviving spouse
15 dies, and if there are unmarried children, including stepchildren,
16 of the deceased member who are under 22 years of age or are so
17 incapacitated, or if there are children not in the care of the spouse,
18 the children shall be paid an allowance as follows:

19 (A) If there is only one child, the child shall be paid three
20 hundred fifty dollars (\$350) per month.

21 (B) If there are two children, the children shall be paid seven
22 hundred dollars (\$700) per month divided equally between them.

23 (C) If there are three or more children, the children shall be paid
24 eight hundred forty dollars (\$840) per month divided equally
25 among them.

26 (3) A surviving spouse who has attained or attains the age of
27 62 years, and, with respect to that surviving spouse, who was either
28 continuously married to the member for at least one year prior to
29 death, or who was married to the member prior to the occurrence
30 of the injury or onset of the illness that resulted in death, shall be
31 paid three hundred fifty dollars (\$350) per month. No allowance
32 shall be paid under this paragraph while the surviving spouse is
33 receiving an allowance under paragraph (1) or while an allowance
34 is being paid under subparagraph (C) of paragraph (2). The
35 allowance paid under this paragraph shall be one hundred forty
36 dollars (\$140) per month while an allowance is being paid under
37 subparagraph (B) of paragraph (2).

38 (4) If there is no surviving spouse or surviving child who
39 qualifies for the 1959 survivor allowance, or if the surviving spouse
40 dies and there is no surviving child, or if the surviving spouse dies

1 and the children die or marry or, if not incapacitated, reach 22
2 years of age, each of the member's dependent parents who has
3 attained or attains the age of 62 years, and who received at least
4 one-half of his or her support from the member at the time of the
5 member's death, shall be paid three hundred fifty dollars (\$350)
6 per month.

7 (c) "Stepchildren," for purposes of this section, shall include
8 only stepchildren of the member living with the member in a
9 regular parent-child relationship at the time of the death of the
10 member.

11 (d) This section shall apply to beneficiaries of state members
12 whose death occurred before January 1, 1985. Where a surviving
13 spouse attained the age of 62 years prior to January 1, 1987,
14 entitlement shall exist retroactive to January 1, 1985, or to his or
15 her 62nd birthday, whichever is later. All assets and liabilities of
16 all state agencies and their employees on account of benefits
17 provided to beneficiaries specified in this subdivision shall be
18 pooled into a single account. The board shall transfer from the
19 reserve for 1959 survivor contributions retained in the retirement
20 fund an amount sufficient to pay the cost of the increased benefits
21 provided by this subdivision for beneficiaries of members who
22 died on or before December 31, 1984.

23 (e) This section shall not apply to beneficiaries with respect to
24 the death of a state member, except as provided in subdivision (i),
25 occurring on or after January 1, 1985, unless provided for in a
26 memorandum of understanding reached pursuant to Section 3517.5,
27 or authorized by the Director of Personnel Administration for
28 classifications of state employees that are excluded from, or not
29 subject to, collective bargaining. The memorandum of
30 understanding adopting this section shall be controlling without
31 further legislative action, except that if those provisions of a
32 memorandum of understanding require the expenditure of funds,
33 those provisions shall not become effective unless approved by
34 the Legislature as provided by law.

35 (f) This section shall apply, with respect to benefits payable on
36 and after January 1, 1985, to school members and to school safety
37 members, as defined in Section 20444. All assets and liabilities of
38 all school employers, and their employees, on account of benefits
39 provided under this article shall be pooled into a single account,
40 and a single employer rate shall be established to provide benefits

1 under this section on account of school members employed by a
2 school employer.

3 (g) This section shall apply to members of a contracting agency
4 that, in its original contract or by amending its contract, first elects
5 effective on or after January 1, 1985, and prior to July 1, 2001, to
6 make this article applicable to local members employed by the
7 agency. On or after January 1, 1985, and prior to July 1, 2001,
8 contracting agencies already subject to Section 21571 or Section
9 21572 may elect by contract amendment to be subject to this
10 section. All assets and liabilities of all contracting agencies subject
11 to this section, and their employees, on account of benefits provided
12 under this article shall be pooled into a single account, and a single
13 employer rate shall be established to provide benefits under this
14 section on account of members employed by a contracting agency
15 that is subject to this section. Any public agency first contracting
16 with the board on or after January 1, 1994, and prior to July 1,
17 2001, or any contracting agency amending its contract to remove
18 exclusions of member classifications on or after January 1, 1994,
19 and prior to July 1, 2001, that has not, pursuant to Section 418 of
20 Title 42 of the United States Code, entered into an agreement with
21 the federal government for the coverage of its employees under
22 the federal system, shall be subject to this section.

23 (h) The rate of contribution of an employer subject to this section
24 shall be figured using the term insurance valuation method. If a
25 contracting agency that is subject to this section has a surplus in
26 its 1959 survivor benefit account as of the date the contracting
27 agency becomes subject to this section, the surplus shall be applied
28 to reduce its rate of contribution. If a contracting agency that is
29 subject to this section has a deficit in its 1959 survivor benefit
30 account as of the date the contracting agency becomes subject to
31 this section, its rate of contribution shall be increased until the
32 deficit is paid.

33 (i) This section shall not apply to beneficiaries with respect to
34 the death of a state member employed by the California State
35 University occurring on or after January 1, 1988, unless provided
36 for in a memorandum of understanding reached pursuant to Chapter
37 12 (commencing with Section 3560) of Division 4 of Title 1, or
38 authorized by the Trustees of the California State University for
39 employees excluded from collective bargaining. The memorandum
40 of understanding shall be controlling without further legislative

1 action, except that if the provisions of a memorandum of
2 understanding require the expenditure of funds, the provisions
3 shall not become effective unless approved by the Legislature in
4 the annual Budget Act.

5 (j) This section shall apply to local members employed by a
6 contracting agency that has included this benefit in its contract
7 with the board on or before June 30, 2001.

8 (k) This section shall not apply to any contracting agency that
9 first contracts with the board on or after July 1, 2001.

10 (l) On and after January 1, 2000, all eligible state and school
11 members covered by this section shall be covered by the benefit
12 provided under Section 21574.7.

13 SEC. 3. Section 21574.7 of the Government Code is amended
14 to read:

15 21574.7. (a) In lieu of benefits provided in Section 21571,
16 21572, or 21573, if the death benefit provided by Section 21532
17 is payable on account of a state member's death that occurs under
18 circumstances other than those described in subparagraph (F) of
19 paragraph (1) of subdivision (a) of Section 21530, or if an
20 allowance under Section 21546 is payable, the payment pursuant
21 to subdivision (b) shall be made in the following order of priority:

22 (1) The surviving spouse of the member who has the care of
23 unmarried children, including stepchildren, of the member who
24 are under 22 years of age or are incapacitated because of a
25 disability that began before and has continued without interruption
26 after the attainment of that age.

27 (2) The guardian of surviving unmarried children, including
28 stepchildren, of the member who are under 22 years of age or are
29 so incapacitated.

30 (3) The surviving spouse of the member who does not qualify
31 under paragraph (1).

32 (4) Each surviving parent of the member.

33 (b) Regardless of the benefit provided by Section 21532 and of
34 the beneficiary designated by the member under that section, or
35 regardless of the allowance provided under Section 21546, the
36 following applicable 1959 survivor allowance, under the conditions
37 stated and from contributions of the employer, shall be paid:

38 (1) A surviving spouse who was either continuously married to
39 the member for at least one year prior to death, or was married to
40 the member prior to the occurrence of the injury or onset of the

1 illness that resulted in death, and has the care of unmarried
2 children, including stepchildren, of the deceased member who are
3 under 22 years of age or are so incapacitated, shall be paid one
4 thousand five hundred dollars (\$1,500) per month if there is one
5 child or one thousand eight hundred dollars (\$1,800) per month if
6 there are two or more children. If there also are children who are
7 not in the care of the surviving spouse, the portion of the allowance
8 payable under this paragraph, assuming that these children were
9 in the care of the surviving spouse, that is in excess of seven
10 hundred fifty dollars (\$750) per month, shall be divided equally
11 among all those children and payments made to the spouse and
12 other children, as the case may be.

13 (2) If there is no surviving spouse, or if the surviving spouse
14 dies, and if there are unmarried children, including stepchildren,
15 of the deceased member who are under 22 years of age or are so
16 incapacitated, or if there are children not in the care of the spouse,
17 the children shall be paid an allowance as follows:

18 (A) If there is only one child, the child shall be paid seven
19 hundred fifty dollars (\$750) per month.

20 (B) If there are two children, the children shall be paid one
21 thousand five hundred dollars (\$1,500) per month divided equally
22 between them.

23 (C) If there are three or more children, the children shall be paid
24 one thousand eight hundred dollars (\$1,800) per month divided
25 equally among them.

26 (3) A surviving spouse who has attained or attains the age of
27 60 years, and who was either continuously married to the member
28 for at least one year prior to death, or was married to the member
29 prior to the occurrence of the injury or onset of the illness that
30 resulted in death, shall be paid seven hundred fifty dollars (\$750)
31 per month. No allowance shall be paid under this paragraph while
32 the surviving spouse is receiving an allowance under paragraph
33 (1) or while an allowance is being paid under subparagraph (C) of
34 paragraph (2). The allowance paid under this paragraph shall be
35 three hundred dollars (\$300) per month while an allowance is being
36 paid under subparagraph (B) of paragraph (2).

37 (4) If there is no surviving spouse or surviving child who
38 qualifies for the 1959 survivor allowance, or if the surviving spouse
39 dies and there is no surviving child, or if the surviving spouse dies
40 and the children die or marry or, if not incapacitated, reach 22

1 years of age, each of the member's dependent parents who has
2 attained or attains the age of 60 years, and who received at least
3 one-half of his or her support from the member at the time of the
4 member's death, shall be paid seven hundred fifty dollars (\$750)
5 per month.

6 (c) "Stepchildren," for purposes of this section, shall include
7 only stepchildren of the member living with the member in a
8 regular parent-child relationship at the time of the death of the
9 member.

10 (d) This section shall only apply to state and school members
11 effective on or after January 1, 2000.

12 (e) All assets and liabilities of state employers subject to this
13 section, and their employees, on account of benefits provided under
14 this article shall be pooled into a single account, and a single
15 employer rate shall be established to provide benefits under this
16 section on account of state members employed by the state.

17 (f) All assets and liabilities of school employers, as defined in
18 Section 20063, that are subject to this section, and their employees,
19 on account of benefits provided under this article shall be pooled
20 into a single account, and a single employer rate shall be
21 established to provide benefits under this section.

22 (g) The rate of contribution of an employer subject to this section
23 shall be calculated using a method determined by the board.
24 Surplus assets shall be applied to reduce the rate of contribution.
25 If a deficit exists, the rate of contribution shall be increased until
26 the deficit is paid.

27 (h) On and after January 1, 2000, all state employees and school
28 members shall be covered by this section.

29 *SEC. 4. Section 22944.3 is added to the Government Code, to*
30 *read:*

31 *22944.3. (a) Any amount that would otherwise be used to*
32 *permanently increase compensation pursuant to Section 19827,*
33 *effective on July 1, 2009, and on July 1, 2010, shall instead be*
34 *used to permanently prefund postemployment health care benefits*
35 *for patrol members. The amount used to prefund benefits relative*
36 *to any increases under the survey methodology effective July 1,*
37 *2010, shall not exceed 2 percent. The state shall take credit for*
38 *these prefunding contributions in the survey methodology*
39 *established in Section 19827 in the same manner as it would for*
40 *an increase to the base salary for patrol members.*

1 (b) Patrol members shall contribute an additional 0.5 percent
2 of base pay toward prefunding retiree health benefit obligations
3 effective on the first day of the pay period following the effective
4 date of the act adding this section and the ratification of the
5 addendum by the members of State Bargaining Unit 5. This
6 contribution shall not reduce the base salary of patrol members
7 under the survey methodology established by Section 19827.

8 (c) Effective July 1, 2012, the state shall contribute toward
9 prefunding retiree health benefits, on a prospective basis, an
10 amount at least equal to the combined contribution rate established
11 pursuant to subdivisions (a) and (b). These contributions may be
12 used in the survey methodology established by Section 19827 if
13 mutually agreed in a memorandum of understanding.

14 (d) Contributions paid pursuant to this section shall be used
15 exclusively for the cost of providing postemployment health care
16 to eligible enrolled patrol member annuitants and their eligible
17 enrolled dependents, beneficiaries, and survivors.

18 (e) Contributions paid pursuant to this section shall not be
19 refundable under any circumstances to a patrol member or his or
20 her beneficiary or survivor.

21 (f) Any amount used to prefund postemployment health care for
22 patrol members pursuant to subdivision (a) shall not be included
23 in any calculation for benefits using final compensation.

24 (g) If the provisions of this section are in conflict with the
25 provisions of a memorandum of understanding reached pursuant
26 to Section 3517.5, the memorandum of understanding shall be
27 controlling without further legislative action, except that if those
28 provisions of a memorandum of understanding require the
29 expenditure of funds, the provisions shall not become effective
30 unless approved by the Legislature in the annual Budget Act.

31 (h) For purposes of this section, “patrol member” has the same
32 meaning as in Section 20390. This section shall not apply to an
33 employee of a county.

34 SEC. 5. The provisions of the addenda to memoranda of
35 understanding entered into by the state employer and State
36 Bargaining Unit 5 that require the expenditure of funds are hereby
37 approved for the purposes of Section 3517.63 of the Government
38 Code.

1 *SEC. 6. The addendum to memoranda of understanding entered*
2 *into by the state employer and State Bargaining Unit 5, dated*
3 *August 26, 2009, is hereby approved.*

4 *SEC. 7. The provisions of the addendum to the memorandum*
5 *of understanding approved by Sections 5 and 6 of this act and that*
6 *require the expenditure of funds shall not take effect unless funds*
7 *for these provisions are specifically appropriated by the Legislature*
8 *or already exist within available appropriations. If the Legislature*
9 *does not approve or fully fund the addendum in this act, either*
10 *party may reopen negotiations on all or part of the addendum.*